

LAW OFFICES OF  
VAN COTT, BAGLEY, CORNWALL & MCCARTHY

A PROFESSIONAL CORPORATION

SUITE 1600

50 SOUTH MAIN STREET

SALT LAKE CITY, UTAH 84144

TELEPHONE (801) 532-3333

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ADDRESS ALL CORRESPONDENCE TO

POST OFFICE BOX 3400

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1917-1947

OF COUNSEL  
CLIFFORD L. ASHTON  
GEORGE M. MCILLAN  
EDWIN J. SKEEN  
RICHARD C. SKEEN

November 19, 1982

HAND DELIVERED

Mr. John Blake  
Minerals Resource Specialist  
Utah Division of State Lands  
and Forestry  
231 East 400 South  
Salt Lake City, Utah 84111

Dear Mr. Blake:

This letter is written on behalf of Atlas Corporation in response to your letter of October 15, 1982, with regard to State Mineral Lease Nos. ML 8066 and ML 23489, in which you require from Atlas a separate reclamation and lease performance bond in the sum of not less than \$5,000.00 each to cover the operations on each of the two leases.

We have enclosed herewith a photocopy of Bond No. 632 1740 in the amount of \$25,000.00 and the accompanying letter from you to Atlas Corporation indicating approval of the bond for purposes of assurance of reclamation of disturbances from exploration operations on the two state leases.

A review of the conditions of the enclosed bond indicates that the coverage of the bond is broad enough to include not only exploration operations but also the reclamation of surface disturbances associated with ongoing development and mining activities. In particular, the last paragraph of the conditions attached to the bond provides for the release of the bond upon full compliance with all terms and conditions of the applicable state leases, the rules and regulations of the Bureau of State Lands, and the rules and regulations of the

DENNIS MCCARTHY  
LEONARD J. LEWIS  
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Mr. John Blake  
November 19, 1982  
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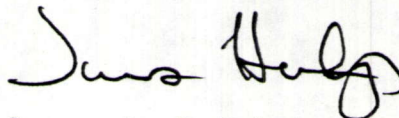
Utah State Oil and Gas Conservation Commission (now the Utah Board of Oil, Gas and Mining) as they existed at the time of the issuance of the bond or as they may thereafter be modified.

In addition, we have in our files a letter dated September 1, 1978, from Mr. James W. Smith, Jr., of the Division of Oil, Gas & Mining with regard to Lease No. ML 23489, in which Mr. Smith refers to your approval of a surety contract covering the mining operations on said lease. We have received no indication that said approval from the Division of State Lands is no longer in effect.

Based on the foregoing, we consider Bond No. 632 1740 and the surety covering Lease No. ML 23489 to be sufficient for compliance.

Should you have any questions, please let me know.

Very truly yours,



James A. Holtkamp

JAH:bb

cc: Mr. Richard Weaver  
Mr. Richard Blubaugh





DIVISION OF STATE LANDS  
DEPARTMENT OF NATURAL RESOURCES  
ROOM 411 EMPIRE BUILDING  
231 EAST 400 SOUTH  
SALT LAKE CITY, UTAH 84111  
(801) 533-5381

*I. Williams*  
*R. Renshaw 1-17*

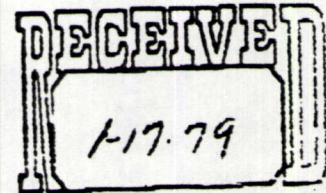
Scott M. Matheson  
Governor

Gordon E. Harmston  
Executive Director  
Dept. of Natural Resources

William K. Dinehart  
Director

January 12, 1979

Atlas Corporation  
Prudential Plaza - Suite 2506  
1650 - 17th Street  
Denver, CO  
80202



Gentlemen:

The Director, on October 23, 1978, accepted Bond No. 632 1740 in the amount of \$25,000 with you as principal and The American Insurance Company as surety to assure reclamation of lands disturbed by exploration operations on Statewide leases held by your company.

I trust this information will be sufficient for your needs.

Yours very truly,

*(11 1 211)*



OF  
COUNSEL

# THE AMERICAN INSURANCE COMPANY

KNOW ALL MEN BY THESE PRESENTS: That THE AMERICAN INSURANCE COMPANY, a Corporation duly organized and existing under the laws of the State of New Jersey, and having its Home Office in the City and County of San Francisco, California, has made, constituted and appointed, and does by these presents make, constitute and appoint

-----COLLEEN J. PADUE-----

DENVER, COLORADO

to, true and lawful Attorney(s)-in-Fact, with full power and authority hereby conferred in its name, place and stead, to execute seal, acknowledge and deliver any and all bonds, undertakings, recognizances or other written obligations in the nature thereof

and to bind the Corporation thereby as fully and to the same extent as if such bonds were signed by the President, sealed with the corporate seal of the Corporation and duly attested by its Secretary, hereby ratifying and confirming all that the said Attorney(s)-in-Fact may do in the premises.

This power of attorney is granted pursuant to Article VIII, Section 30 and 31 of By-laws of THE AMERICAN INSURANCE COMPANY now in full force and effect.

Article VIII, Appointment and Authority of Resident Assistant Secretaries, and Attorney-in-Fact and Agents to accept Legal Process and Make Appearances

Section 30 Appointment: The Chairman of the Board of Directors, the President, any Vice-President or any other person authorized by the Board of Directors, the Chairman of the Board of Directors, the President or any Vice-President, may, from time to time, appoint Resident Assistant Secretaries and Attorneys-in-Fact to represent and act for and on behalf of the Corporation and Agents to accept legal process and make appearances for and on behalf of the Corporation.

Section 31 Authority: The Authority of such Resident Assistant Secretaries, Attorneys-in-Fact, and Agents shall be as provided in the instrument appointing them and any such appointment and all authority granted thereby may be revoked at any time by the Board of Directors or by any person empowered in writing with appointment.

The power of attorney is signed and sealed under and by the authority of the following Resolution adopted by the Board of Directors of THE AMERICAN INSURANCE COMPANY at a meeting duly called and held on the 28th day of September, 1966, and that said Resolution has not been amended or repealed:

RESOLVED, that the signature of any Vice-President, Assistant Secretary, and Resident Assistant Secretary of this Corporation, and the seal of this Corporation may be affixed or printed on any power of attorney, on any revocation of any power of attorney, or on any certificate relating thereto, by facsimile, and any power of attorney, any revocation of any power of attorney, or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Corporation.

IN WITNESS WHEREOF, THE AMERICAN INSURANCE COMPANY has caused these presents to be signed by its Vice-President, and its corporate seal to be hereunto affixed this 9th day of May, 1977



STATE OF CALIFORNIA

CITY AND COUNTY OF SAN FRANCISCO

THE AMERICAN INSURANCE COMPANY

By Colleen J. Padue  
Vice-President

On this 9th day of May, 1977, before me personally came William W. Lauber to me known, who being by me duly sworn, did depose and say that he is Vice President of THE AMERICAN INSURANCE COMPANY, the Corporation described in and which executed the above instrument, that he knows the seal of said Corporation; that the seal affixed to the said instrument is such corporate seal, that it was so affixed by order of the Board of Directors of said Corporation and that he signed the same thereto by like order.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year herein first above written.



Susie K. Gilbert  
Notary Public

CERTIFICATE

STATE OF CALIFORNIA

CITY AND COUNTY OF SAN FRANCISCO

I, the undersigned, Assistant Secretary of THE AMERICAN INSURANCE COMPANY, a NEW JERSEY Corporation, DO HEREBY CERTIFY that the foregoing and attached POWER OF ATTORNEY remains in full force and has not been revoked, and furthermore that Article VIII, Sections 30 and 31 of the By-laws of the Corporation, and the Resolution of the Board of Directors, set forth in the Power of Attorney, are now in force.

Signed and sealed at the City and County of San Francisco, Dated the 28th day of March, 1978



He Chien  
Assistant Secretary



**STATE OF UTAH**  
**BOND OF LESSEE**

AND ALL MEN BY THESE PRESENTS, that we ATLAS CORPORATION  
California, as principal and The American Insurance Company  
~~XXXXXX~~ as surety, are held and firmly bound unto the State of Utah in the sum  
only Five Thousand and no/100----- Dollars (\$25,000.00 ) lawful money of  
United States to be paid to the State Land Board, as agent for the State of Utah, for  
 the use and benefit of the State of Utah, and of any patentee or purchaser of any portion  
 of land covered by the hereinafter described lease heretofore sold or which may  
 hereafter be sold with a reservation of the minerals to the State of Utah, on the surface  
 and other mineral deposits of any portion of such lands, for which payment will and  
 is to be made, we bind ourselves, and each of us, and each of our heirs, executors,  
 administrators, successors, and assigns, jointly and severally by these presents.

Signed with our hands and seals this 28th day of March, in the  
 of our Lord, 1978.

the condition of the foregoing obligation is such that,

WHEREAS, the State of Utah, as lessor, issued an Metalliferous  
Lease Number Various, and dated Various to Atlas  
Location as lessee (and said lease has been duly assigned under date of  
to ) to drill for,  
extract and remove all of the Metalliferous  
is in and under the following described lands to-wit:

# ALL STATE OF UTAH MINERAL LEASES

HEREFORE, if said principal shall pay all moneys, rentals, and royalties accruing lessor under the terms of the above described lease, and shall fully comply with her terms and conditions of said lease, the rules and regulations relating thereto issued by the State Land Board, and the rules and regulations governing operating areas, abandonment, and conservations practices promulgated by the Utah State Oil & Conservation Commission as they now exist or may from time to time be modified added, and shall pay all damages to the surface and improvements thereon, then the obligation shall be void and of no effect, otherwise to remain in full force and

sealed and delivered  
presence of

White

is E. Miller

~~ATLAS CORPORATION~~

G. S. Venable (SEAL)  
Principal

THE AMERICAN INSURANCE COMPANY  
BONDING COMPANY

BY: Colleen J. Paine  
Colleen J. Paine,  
Attorney-in-fact

**Attest:**